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**HOUSE BILL 1175**

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**State of Washington 67th Legislature 2021 Regular Session**

**By** Representatives J. Johnson, Caldier, Callan, Young, Griffey, Sutherland, Harris-Talley, Ormsby, and Fitzgibbon

AN ACT Relating to providing a property tax exemption for real property used as a host home associated with a host home program; amending RCW 84.69.020; adding a new section to chapter 84.36 RCW; and creating a new section.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  A new section is added to chapter 84.36 RCW to read as follows:

(1) Beginning with taxes levied for collection in calendar year 2023, real property is exempt from ad valorem taxation levied for a given year if that property was used as a host home for at least 90 days in that year.

(2) A claim for exemption under subsection (1) of this section may be made and filed by the owner of the host home at any time during the year for exemption from taxes payable the following year upon forms as prescribed by the department. The forms must require a person to provide sufficient evidence to support their eligibility to receive the exemption and the form may require a person to provide verification from the host home program that the real property was used as a host home as required in subsection (1) of this section. The claim for exemption must be submitted to the county assessor no later than December 31st of each year for exemption from taxes payable the following year.

(3)(a) The county assessor must evaluate each claim for exemption to determine a person's eligibility for the exemption. If the county assessor finds that a person meets the qualifications established in subsection (1) of this section, the claim for exemption must be approved. If the county assessor finds that a person does not meet the qualifications established in subsection (1) of this section, the claim for exemption must be denied, but the denial is subject to appeal under the provisions of RCW 84.48.010 and 84.40.038. The county assessor must notify the applicant of either determination.

(b) A claim for exemption approved under (a) of this subsection (3) is valid for one year and provides for the exemption from taxes payable in the year following the year in which the claim was due. A person must file a new claim as provided in subsection (2) of this section for each year for which that person is eligible for the exemption.

(4) The county assessor must accept any late claim for exemption made within three years after the due date of payment of taxes for which an exemption is sought. If the county assessor approves such a claim, the application constitutes a claim for refund under chapter 84.69 RCW.

(5) For purposes of this section, "host home" and "host home program" have the same meaning as in RCW 74.15.020.

**Sec.**  RCW 84.69.020 and 2017 3rd sp.s. c 13 s 310 are each amended to read as follows:

On the order of the county treasurer, ad valorem taxes paid before or after delinquency must be refunded if they were:

(1) Paid more than once;

(2) Paid as a result of manifest error in description;

(3) Paid as a result of a clerical error in extending the tax rolls;

(4) Paid as a result of other clerical errors in listing property;

(5) Paid with respect to improvements which did not exist on assessment date;

(6) Paid under levies or statutes adjudicated to be illegal or unconstitutional;

(7) Paid as a result of mistake, inadvertence, or lack of knowledge by any person exempted from paying real property taxes or a portion thereof pursuant to RCW 84.36.381 through 84.36.389, as now or hereafter amended;

(8) Paid as a result of mistake, inadvertence, or lack of knowledge by either a public official or employee or by any person with respect to real property in which the person paying the same has no legal interest;

(9) Paid on the basis of an assessed valuation which was appealed to the county board of equalization and ordered reduced by the board;

(10) Paid on the basis of an assessed valuation which was appealed to the state board of tax appeals and ordered reduced by the board: PROVIDED, That the amount refunded under subsections (9) and (10) of this section shall only be for the difference between the tax paid on the basis of the appealed valuation and the tax payable on the valuation adjusted in accordance with the board's order;

(11) Paid as a state property tax levied upon property, the assessed value of which has been established by the state board of tax appeals for the year of such levy: PROVIDED, HOWEVER, That the amount refunded shall only be for the difference between the state property tax paid and the amount of state property tax which would, when added to all other property taxes within the one percent limitation of Article VII, section 2 of the state Constitution equal one percent of the assessed value established by the board;

(12) Paid on the basis of an assessed valuation which was adjudicated to be unlawful or excessive: PROVIDED, That the amount refunded shall be for the difference between the amount of tax which was paid on the basis of the valuation adjudged unlawful or excessive and the amount of tax payable on the basis of the assessed valuation determined as a result of the proceeding;

(13) Paid on property acquired under RCW 84.60.050, and canceled under RCW 84.60.050(2);

(14) Paid on the basis of an assessed valuation that was reduced under RCW 84.48.065;

(15) Paid on the basis of an assessed valuation that was reduced under RCW 84.40.039; ((~~or~~))

(16) Abated under RCW 84.70.010; or

(17) Paid as a result of mistake, inadvertence, or lack of knowledge by any person exempted from paying real property taxes pursuant to section 1 of this act.

No refunds under the provisions of this section shall be made because of any error in determining the valuation of property, except as authorized in subsections (9), (10), (11), and (12) of this section nor may any refunds be made if a bona fide purchaser has acquired rights that would preclude the assessment and collection of the refunded tax from the property that should properly have been charged with the tax. Any refunds made on delinquent taxes must include the proportionate amount of interest and penalties paid. However, no refunds as a result of an incorrect payment authorized under subsection (8) of this section made by a third party payee shall be granted. The county treasurer may deduct from moneys collected for the benefit of the state's levies, refunds of the state's levies including interest on the levies as provided by this section and chapter 84.68 RCW.

The county treasurer of each county must make all refunds determined to be authorized by this section, and by the first Monday in February of each year, report to the county legislative authority a list of all refunds made under this section during the previous year. The list is to include the name of the person receiving the refund, the amount of the refund, and the reason for the refund.

NEW SECTION. **Sec.**  The provisions of RCW 82.32.805 and 82.32.808 do not apply to this act.

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